the other heads are not so important as to merit mention and therefore I pass on.

Against these increases, the only head of expenditure showing any savings is 'State Conveyances' the revised estimate under which is fixed at Rs. 84,100 thus falling short of the budget estimate by Rs. 11,400 mainly on account of the non-purchase of horses and cars as provided for.

I now come to the schemes of 'Capital Outlay' for which provisions had been made in the budget of the year. Under 'Railway' we had made a provision of Rs. 10·58 lakhs towards the completion of the Conversion Scheme including the expenditure on Shoranur Junction Re-modelling and the diversion of the line between Idapilly and Ernakulam; but as the question of the incidence of expenditure on Shoranur Junction remodelling is still under consideration and the Idapilly—Venduruthy extension scheme is not yet commenced, the revised estimate has been fixed at Rs. 1·58 lakhs only according to actual requirements

In similar circumstances, we had also budgetted for an expenditure of Rs. 10 lakhs under 'Harbour' in the hope that the 4th stage of the works would be begun this year. Owing to various circumstances this could not be till now. As we have come to a final agreement now, a provision of Rs. 5·82 lakhs has been made in the revised estimate according to ascertained information towards the contribution of this Government on account of the expenditure of the Fourth Stage Harbour Works already incurred in advance by the Government of Madras, now that the Madras Government has not to participate in the Harbour development according to the revised terms of the Harbour Agreement.

The provision of Rs. 25,000 for Electrical works at Ernakulam and Trichur made under 'Capital Outlay' was not utilised under that head as the electrification of these towns has been arranged to be done and managed by private enterprise, the Government having taken shares in the concern for which a provision of Rs. 12,000 has been found under 'Investments' in the current year.

FINANCIAL POSITION AT THE END OF 1111.

7. I shall close my observations on the estimates of the current year with a passing reference to the anticipated financial position at the end of the year. Our total asset which

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stood at Rs. 115·49 lakhs at the end of 1110 is expected to rise to Rs. 122·90 lakhs at the close of the current year on account of the further outlays on 'Harbour' and 'Railway' which I have just explained. The asset over liabilities to the credit of our Government is, however, expected to stand reduced from Rs. 108·33 lakhs to Rs. 102·78 lakhs due to the deficit that has been anticipated in the current year—the net liability standing at Rs. 20·11 lakhs as against Rs. 7·16 lakhs at the beginning of the year.

BUDGET ESTIMATE OF 1112.

8. I now come to our programme for the coming year which is the theme for detailed consideration before us. Every country or nation is faced with deficit budgets and though our State also is beset with the same economic conditions and other unfavourable circumstances, every attempt has been made to avoid a deficit budget, with due regard, however, to the real development of the State, the welfare of its people and the maintenance of its status among the fraternity of advanced States. The economic depression that was unprecedented alike in its duration, its extent and its intensity is fortunately lifting and with the commodity prices gradually increasing, the condition may be said to be better now. In framing the next year's estimates of receipts and expenditure the present economic condition has therefore been taken into consideration to the extent conceivable.

The revenue for the coming year has been estimated at Rs. 101·39 lakhs which, it will be observed, is a record figure in the history of budget of the State. We have programmed for an expenditure of Rs. 100·92 lakhs leaving a small surplus of Rs. ·46 lakh. This does not include our programme of capital expenditure which is estimated at Rs. 58·13 lakhs for which we shall be drawing on our loan amounts.

RECEIPTS.

As compared with the revised estimate of Rs. 98·60 lakhs the revenue for the coming year shows an increase of Rs. 2·79 lakhs. Under almost all the important heads the budget estimates have been prepared on the basis of the revised estimates of the current year as far as possible except in respect of items which showed surer ground for increase.

In view of the improving economic condition and having regard to the opinion generally given expression to that the remission has not proved beneficial either to the State in its

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